



DEVAL L. PATRICK
GOVERNOR

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE • ROOM 373
BOSTON, MASSACHUSETTS 02133
(617) 727-2040

GLEN SHOR
SECRETARY

November 19, 2014

TO: His Excellency Deval L. Patrick, Governor
House Committee on Ways and Means
Senate Committee on Ways and Means
Joint Committee on Revenue

Under Section 9C of Chapter 29 of the Massachusetts General Laws, I am advising you of my determination that it is necessary to revise the estimates of revenue available to meet appropriations and other needs in the current fiscal year and that this revenue will be insufficient to meet all authorized expenditures for the fiscal year. The amount of this deficiency is estimated to be \$329 million.

This \$329 million estimated deficiency exists because of the likely personal income tax rate reduction from 5.2% to 5.15% representing a \$70 million loss in tax revenues this fiscal year, and because non-tax revenues are estimated to be \$176 million below the levels predicted in the budget. Additionally, the economic development act (Chapter 287 of the Acts of 2014) included \$82.3 million in investments that relied upon stronger revenue growth than we have experienced.

Upon your direction, I will implement reductions under Section 9C of Chapter 29 and take such other steps as necessary to eliminate this projected deficiency.

Sincerely,

A handwritten signature in dark ink, appearing to read "Glen Shor", written over a horizontal line.

Glen Shor
Secretary